

**EXHIBIT B**

**In the Matter Of:**

*IN RE LTL Management LLC Bankruptcy*

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*JOHN KIM*

*April 14, 2023*

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UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEW JERSEY

IN RE:

Chapter 11

LTL MANAGEMENT LLC, Case No.: 23-12825 (MBK)

Debtor,

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\* C O N F I D E N T I A L \*

VIDEOTAPED DEPOSITION

OF

JOHN KIM

FRIDAY, APRIL 14, 2023

Reported by:

Bridget Lombardozzi, CSR, RMR, CRR

JOB NO. 2023-893116

Stenographic videotaped deposition of JOHN KIM taken on behalf of the Official Committee of Talc Claimants 1 and others similarly situated, commencing at 2:23 p.m., on Friday, April 14, 2023, at the offices of Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, New York, New York, before Bridget Lombardozzi, Certified Shorthand Reporter, Registered Merit Reporter, Certified Realtime Reporter, and Notary Public of the State of New York, pursuant to notice.

1 liability is that great. And what we think is  
2 that the liability of the -- you know, of the --  
3 the talc liability, we could have met it with the  
4 JJCI. You know, we were not insolvent.

5 The same is true with LTL after the --  
6 the revisions to the funding agreement and the,  
7 you know, support agreement. It's not insolvent,  
8 but it would be, you know, in financial distress.

9 Q. Okay. I -- I get it, but what I want  
10 to -- I don't want talk about the liabilities for  
11 a second.

12 A. Mm-hmm.

13 Q. So let's just focus on the asset --  
14 the -- the asset side.

15 What was the total amount of value that  
16 could have -- that would have -- strike that --  
17 that could have been available to LTL under  
18 Funding Agreement One?

19 A. I think it was the fair -- it was the  
20 fair market value of the assets which would have  
21 been around \$60 billion.

22 Q. Okay. And today under Funding Agreement  
23 Two, what is the total value that's available to  
24 LTL under Funding Agreement Two?

25 A. The total assets available? Well, I

1 mean, one way to look at it would be the fund --  
2 the fair market value of Holdco, which has the  
3 principal responsibility, is, I would say, I think  
4 around 30 -- \$30 billion. But, of course, there's  
5 liquidity issues with that \$30 billion, but it is  
6 \$30 billion.

7 And but, also, there is a -- a proposal  
8 on the table to take care of all the talc  
9 liability that J & J would fund for 8. -- \$8.9  
10 billion which has the support of law firms  
11 representing 60,000 claimants. So I would say  
12 that's really an appropriate number.

13 Q. Yeah. Okay. I don't -- I don't want to  
14 talk about the claims for now. I'm a simple  
15 person. I just want to focus on --

16 A. Mm-hmm.

17 Q. -- the value that's available to LTL  
18 under the funding agreement. Just -- you told  
19 me -- I just want to make sure I understand -- the  
20 value available to LTL under Funding Agreement One  
21 was roughly \$60-odd billion, correct?

22 A. That's correct.

23 Q. Okay. And the value available to LTL  
24 under Funding Agreement Two is roughly \$30  
25 billion?

1 The fund -- the parties to the funding  
2 agreement are LTL, right?

3 A. Yes.

4 Q. Johnson & Johnson Consumer, Inc., right?

5 A. Yes. You're talking about the old --

6 Q. Yeah, the old funding agreement.

7 And Johnson & Johnson, right?

8 A. Yes.

9 Q. So did you ever discuss with those  
10 parties whether they thought the funding agreement  
11 was void or voidable?

12 A. There were discussions among counsel for  
13 those parties.

14 Q. Well, let me ask you. Your -- again,  
15 was it Johnson & Johnson or JJCI -- JJCI's view  
16 that the agreement was void or voidable?

17 MS. BROWN: I think that's  
18 going to implicate legal advice and  
19 would cause you to speculate as well,  
20 so I object.

21 Can you answer that question  
22 without divulging information of other  
23 lawyers that you may also have a  
24 privilege with under the common  
25 interest?

1 THE WITNESS: No, but --

2 MS. BROWN: Okay. Then I'm  
3 just going to instruct you not to  
4 answer.

5 Q. You know, I'm just -- it's going to be  
6 a bad question, Mr. Kim, but I'd like to just cut  
7 to the chase because I know we want to take a  
8 break.

9 So you're a party -- you're one of the  
10 parties to an agreement, right?

11 A. We are.

12 Q. And it's a good agreement for you  
13 because the other party's going to give you a lot  
14 of money, right?

15 A. Well, it's -- not necessarily, no. It's  
16 a bad agreement because our principal purpose for  
17 getting into the -- for -- for entering into all  
18 these agreements -- the divisional merger  
19 agreements, the funding agreements -- the  
20 principal purpose was to try to resolve these  
21 lawsuits in -- these talc lawsuits in bankruptcy  
22 because that's where we can get a full, fair,  
23 final resolution.

24 So if there's something in those  
25 agreements that actually -- not -- not enhances



1 our ability to -- to do this in the bank -- to --  
2 to resolve these cases in the bankruptcy system  
3 but affirmatively thwarts our ability to do that,  
4 I would say from LTL's perspective that is not a  
5 good agreement.

6 Q. Okay. But the funding agreement -- I  
7 think we had testimony on this in LTL 1 -- was the  
8 debtor's most valuable asset, was it not?

9 A. Yes, but not for the purpose that we  
10 were using it for. So it may -- it may have a lot  
11 of value associated in terms of fair market value  
12 of assets, but in terms of the purpose for the  
13 entire transaction, it is -- it was a detriment to  
14 the company.

15 Q. Your testimony is that the funding  
16 agreement, Funding Agreement One, that LTL entered  
17 into prior to the last bankruptcy was a detriment  
18 to the company?

19 A. It turned out that based upon the Third  
20 Circuit decision, that, yes, it was. It was a  
21 detriment to the company. It thwarted the very  
22 purpose for entering into it.

23 Q. So -- so coming back to my common sense  
24 question, you're one of the parties to the  
25 agreement. Did it in -- did it occur to you to

1 maybe see if -- if the other -- your

2 counterparties thought it was void or voidable?

3 A. I didn't say we didn't.

4 Q. Oh, okay. So you -- you -- did you go  
5 to -- let me ask you. Did you -- did LTL, the --  
6 the debtor, go to its counterparties and say, hey,  
7 are you going to void this agreement on us?

8 A. That's not what I testified to. What I  
9 testified was that the parties had discussions  
10 through their counsel which would have been the  
11 appropriate thing to do since this is a legal  
12 issue.

13 Q. I understand that but LTL, old LTL or  
14 LTL, was a debtor in bankruptcy. And is it -- are  
15 you telling me you're not able to tell me whether  
16 that debtor in bankruptcy -- what the answer was  
17 from its counterparties under the funding  
18 agreement as to whether they were going to take  
19 action to void the funding agreement?

20 MS. BROWN: I object. He's  
21 testified a couple of times that these  
22 were discussions amongst lawyers. So  
23 it implicates privileged  
24 communications.

25 MR. JONAS: That defense?

1 Ellis as claims administrator.

2 A. I see that, yes.

3 Q. Okay. And I take it your testimony  
4 would be -- or will be the -- the remaining of all  
5 of the terms in here, submission of claims to the  
6 trust, if I look at Exhibit A to the term sheet,  
7 which has gynecological cancer qualification  
8 provisions.

9 Is it your testimony that all of these  
10 terms and provisions were negotiated between  
11 J & J and the plaintiffs' lawyers that settled?  
12 Agreed?

13 MS. BROWN: Objection.

14 Objection to the form; misstates his  
15 testimony.

16 A. I mean either -- either negotiated or  
17 discussed or, you know, consensus was reached, but  
18 these are the -- these are the terms that were  
19 agreed for this -- for this purpose. Again, my  
20 understanding is that the majority of this is  
21 still under negotiation and could change.

22 Q. And do you have any understanding of  
23 what the -- the average payout will be to OC  
24 claims?

25 A. I have an understanding as to what these

1 A. I would say there was a consensus  
2 that -- that there was a material risk that the --  
3 that the funding agreement was void or voidable.

4 Q. Okay. So it's your position as the  
5 chief legal officer of LTL that both LTL and J & J  
6 jointly decided at some point before April 4th,  
7 2023, that both parties wanted to declare the 2021  
8 funding agreement void?

9 MS. BROWN: That misstates  
10 his testimony. I object.

11 A. I wouldn't characterize it that way.

12 Q. All right. Which party wanted to  
13 declare it void?

14 A. Again, I don't -- again, I don't think  
15 that's the -- the right way to -- to look at it.  
16 I would -- I would -- I would say that there was a  
17 consensus reached that the -- that there was a  
18 material risk that the funding agreement was --  
19 was unenforceable because it was void or  
20 voidable.

21 Q. And who were the parties to that  
22 consensus?

23 A. Everyone that I named.

24 Q. The parties -- I'm not asking about law  
25 firms. Who were the parties to that consensus?

1 MS. BROWN: You want him to  
2 identify specific lawyers that would  
3 sign on to --

4 MR. BLOCK: No.

5 Q. No, sir. LTL and J & J, are you saying  
6 that those two parties reached a consensus that  
7 the 2021 funding agreement was void?

8 A. I would say through their lawyers, yes.

9 Q. Sir, let me just share the screen and I  
10 want to ask you about an exhibit that you were  
11 shown earlier. I want to ask you something  
12 different about it.

13 Exhibit 2 you were shown?

14 A. Yes.

15 Q. Okay. And this is a list of -- "Amended  
16 list of law firms with significant talc claims  
17 against the debtor" filed on April 13th, 2023.

18 Do you see that?

19 A. I do see that.

20 Q. Okay. And it says "The following is an  
21 alphabetical list of the law firms with the most  
22 significant representations of parties with talc  
23 claims against LTL Management, LLC."

24 Do you see that?

25 A. I do see that.